

2-176A024

DONELAN, CLEARY, WOOD & MASER, P. C.

ATTORNEYS AND COUNSELORS AT LAW

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WASHINGTON, D. C. 20005-4078

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16128-G
JUN 24 1992 10:00 AM
INTERSTATE COMMERCE COMMISSION

June 24, 1992

Recordation No. 16128-G

16.00 filing fee
96.00 indexing fees
112.00 TOTAL

Dear Mr. Strickland:

On behalf of Itel Rail Corporation, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, executed counterparts of a secondary document, not previously recorded, entitled Consent, Waiver, Amendment, Assignment and Assumption ("Assignment").

this is 16128-G. The parties to the enclosed Assignment are:

State Street Bank and Trust Company
of Connecticut, N.A. (Successor to The
New Connecticut Bank and Trust Company,
National Association, the Successor to The
Connecticut Bank and Trust Company,
National Association), as trustee
750 Main Street, Suite 1114
Hartford, Connecticut 06103

Wilmington Trust Company,
not in its individual capacity but solely as
Owner-Trustee
Rodney Square North
Wilmington, Delaware 19890

BA Leasing & Capital Corporation
(Successor to Wells Fargo Leasing Corporation),
as trustor
Two Embarcadero Center
San Francisco, California 94111

Creditor Parties
(For Indexing)

JUN 24
1992
3:44 PM
MOTOR VEHICLE UNIT

[Handwritten signatures and initials on the left margin]

DONELAN, CLEARY, WOOD & MASER, P. C.

Itel Rail Corporation
(Successor to Pullman Leasing Company)
550 California Street
San Francisco, California 94104

-

Assignor
(For Indexing)

GE Capital Railcar Associates, Inc.
33 West Monroe Street
Chicago, Illinois 60603

-

Assignee
(For Indexing)

The said Assignment, among other things is an assignment by Assignor to Assignee of all of Assignor's right, title and interest as Lessee in and to the Equipment Lease Agreement dated as of December 15, 1988 (the "Lease") filed and recorded with the Interstate Commerce Commission under Recordation No. 16128 and the Assignment should be recorded under Recordation No. 16128 under the next letter which we believe is -G.

Please index in the "Vendee" Index Book ("white pages") the Assignment (saying "See Recordation No. 16128-G") under the name of the Assignee therein, namely under:

GE Capital Railcar Associates, Inc.

The equipment covered by the Assignment includes the units of equipment covered by the aforesaid Lease.

A short summary of the Assignment to appear in the ICC Index is as follows:

"Assignment to Assignee of all of Assignor's right, title and interest as Lessee in and to the Lease."

Further, with the payment hereunder of an indexing fee of \$16.00 each:

(1) Please index in the "Vendor" Index Book ("yellow pages") the Assignment, (saying "See Recordation No. 16128-G.") under the following name of a party to the Assignment, namely:

Itel Rail Corporation

(2) Also, please index in the "Vendee" Index Book ("white pages") the Assignment, (saying, "See Recordation No. 16128-G"), under the following names of parties to the Assignment, namely:

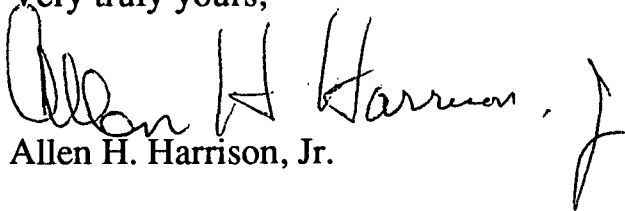
DONELAN, CLEARY, WOOD & MASER, P. C.

BA Leasing & Capital Corporation
The Connecticut Bank and Trust Company, National Association
The New Connecticut Bank and Trust Company, National Association
State Street Bank and Trust Company of Connecticut,
National Association
Wells Fargo Leasing Corporation

Enclosed is a check in the amount of \$112.00 in payment of the filing fee and the fees for the requested indexing.

Once the filing has been made, please return to bearer the stamped counterpart of the document not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filing and the two extra copies of this transmittal letter.

Very truly yours,



Allen H. Harrison, Jr.

Honorable Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423
Enclosures

BY HAND

16128:6

137

16128-14
JUN 24 1992 -10 25 AM
INTERSTATE COMMISSION

CONSENT, WAIVER, AMENDMENT, ASSIGNMENT AND ASSUMPTION

This Consent, Waiver, Amendment, Assignment and Assumption, dated as of June 1, 1992 (this "Instrument"), is entered into by and among STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, N.A. successor to THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, as trustee (the "Security Trustee"), WILMINGTON TRUST COMPANY, not in its individual capacity, but solely as Owner-Trustee (the "Lessor"), BA LEASING & CAPITAL CORPORATION, as trustor (as successor to WELLS FARGO LEASING CORPORATION ("Wells Fargo")) (the "Trustor"), ITEL RAIL CORPORATION as successor to PULLMAN LEASING COMPANY (the "Lessee"), and GE CAPITAL RAILCAR ASSOCIATES, INC. (the "Assuming Party").

W I T N E S S E T H:

WHEREAS, Trustor's predecessor, Wells Fargo has created a trust pursuant to a Trust Agreement (the "Trust Agreement") dated as of December 15, 1988, between Wells Fargo and Lessor; and then transferred to such trust the Equipment, as that term is defined in the Participation Agreement, including 793 railcars, certain of such railcars have been destroyed, and Lessor beneficially owns the remaining 786 railcars, which are identified on Schedule 1 hereto (the "Equipment" or the "Items of Equipment" and each an "Item or Equipment") and, pursuant to the Trust Agreement, Lessor holds legal title to the Equipment; and

WHEREAS, Lessor and Lessee are parties to an Equipment Lease Agreement, dated as of December 15, 1988, which Equipment Lease Agreement was filed with the Interstate Commerce commission on December 30, 1988 and given recordation number 16128 (as it may have been amended or supplemented, the "Agreement");

WHEREAS, by this Instrument and subject to the terms and conditions hereof: Security Trustee, Trustor, and Lessor extend their respective consent and waiver to certain transactions as hereinafter set forth, involving Lessee, Lessor, Assuming Party, and others; Lessee and Lessor desire to amend and supplement, as hereinafter set forth, the Agreement, that certain Participation Agreement dated as of December 15, 1988 Re: Pullman Leasing Trust No. 88-3 among Lessee, Trustor (as successor to Wells Fargo), Lessor, certain Institutional Investors and State Street Bank and Trust Company of Connecticut, N.A. (as successor to The Connecticut Bank and Trust Company, National Association) (the "Participation Agreement") and that certain Tax Indemnity Agreement dated as of December 15, 1988 among Lessee and Trustor (the "Tax Indemnity

Agreement") (the Participation Agreement and the Tax Indemnity Agreement sometimes referred to collectively herein as the "Related Agreements"); Lessee desires to assign to Assuming Party all of Lessee's right, title, and interest in and to the Agreement and the Related Agreements, as modified hereby; Assuming Party desires to assume Lessee's obligations and liabilities under and in connection with, the Agreement and the Related Agreements, as amended hereby; and Lessee ceases to be a party to the Agreement and the Related Agreements;

WHEREAS, in order to secure the payment of the Notes, as that term is defined in the Agreement, the Lease has been assigned for security purposes to Security Trustee pursuant to a Security Agreement-Trust Deed dated as of December 15, 1988 (the "Security Agreement") filed with the Interstate Commerce Commission on December 30, 1988 and given recordation number 16128.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto agree as follows:

SECTION 1. Consent and Waiver. Notwithstanding any provision to the contrary in the Agreement, the Security Agreement-Trust Deed or any of the other Related Agreements, Security Trustee, Trustor and Lessor hereby consent to, and waive any breach of and/or default or event of default under the Agreement, the Security Agreement-Trust Deed and any of the other Related Agreements, solely by reason of Lessee's transfer or assignment to Assuming Party of the Agreement and Related Agreements, Lessee's leasehold interest under the Agreement, and Lessee's rights with respect to Equipment under the Agreement and Related Agreements.

SECTION 2. Amendments and Modifications. Upon the effectiveness of this Instrument pursuant to Section 5 hereof, the Agreement and the Related Agreements are hereby modified as follows:

SECTION 2.1. Amendments and Modifications.

(a) Clause (ii) of the second paragraph of Section 8, Section 10(b)(ii), Clause (b) of the first paragraph of Section 17.1, Section 17.2 and Section 20 of the Agreement are hereby deleted.

(b) Section 5(d) and all references to "the Lessee" in Sections 5(a), (b) and (e) of the Participation Agreement are hereby deleted. All references in the Participation Agreement to Guarantor shall be deemed to be references to General Electric Capital Corporation ("GECC"). Section 5 of the Participation Agreement is hereby amended in pertinent part to read as follows:

"Section 5. FINANCIAL AND OTHER REPORTS AND RIGHTS OF INSPECTION.

The Lessee agrees that it will furnish directly to the Owner-Trustee, the Security Trustee and each Participant, the following:

. . . (c)(i) within the period provided in subparagraph (a) and (b) above, a certificate, signed by the principal financial officer of the Lessee, to the effect that the signer thereof is familiar with the terms and provisions of the Lease and that at the date of said certificate the signer is not aware of any default in compliance by the Lessee with any of the covenants, terms and provisions of the Lease, or if the signer is aware of any such default, he shall disclose in such certificate the nature thereof and the nature of the action the Lessee is taking or proposes to take with respect thereto and (ii) within 120 days after the last day of each fiscal year, a certificate, signed by the principal financial officer of the Lessee, to the effect that during such fiscal year there has been no material adverse change in the financial condition of the Lessee, or if the signer is aware of any such change, he shall disclose in such certificate the nature thereof and provide such further information with respect thereto as the Owner-Trustee, the Security Trustee or any Participant shall reasonably request."

(c) The text of Section 4.2 of the Agreement is hereby amended to read in its entirety as follows:

"The Lessee shall maintain markings on the Items of Equipment covered by the Agreement (but not any particular markings) and shall promptly provide Lessor with notice of any change of markings and a copy of any filings made with the Interstate Commerce Commission in connection with any change of markings and shall provide annually within 60 days after the end of each year to Lessor a report indicating the existing markings on such Items of Equipment."

(d) The second sentence of Section 11.1 of the Agreement is hereby amended by substituting for the words "2% of Lessee's "Tangible Net Worth" (as defined in Section 20 below)" the amount "\$25,000,000"; provided, however, that notwithstanding the foregoing, there shall be no limitation on the amount of Assuming Party's self-insurance of the equipment leased pursuant to the Agreement so long as the senior

unsecured indebtedness of GECC is rated at least AA or Aa by Standard and Poor's Corporation and Moody's Investor Services.

(e) Section 17.1 of the Agreement is hereby amended by inserting the following language at the end of the penultimate sentence of such Section 17.1 before the period thereof: "provided, that Lessee shall be required under this Section 17.1 only to make reference in any subleases permitted under this Lease to the fact that such sublease is subject and subordinate to a lease and such sublease does not have to specifically reference this Lease".

(f) Assuming Party may improve, alter or otherwise modify the Equipment other than as restricted by Section 8 of the Agreement; provided that Assuming Party shall indemnify Trustor pursuant to Section 4 of the Tax Indemnity Agreement to the extent any such improvement, alteration or modification constitutes any breach of the representation in Section 2 of the Tax Indemnity Agreement or otherwise results in the loss of Tax Benefits, but no such improvement, alteration or modification shall affect the duty of the Lessee to return the Equipment in the condition and configuration required by Section 13 of the Agreement.

(g) In addition to any indemnity otherwise provided for under the Agreement and the Related Agreements and notwithstanding anything to the contrary in the Agreement and/or Related Agreements, Assuming Party shall fully indemnify Trustor for any and all taxes incurred or deductions or credits lost or deferred as a result of Assuming Party's improvement, alteration or modification of the Equipment. Assuming Party covenants and agrees, in addition to any indemnity otherwise provided for under the Agreement and/or Related Agreements and notwithstanding anything to the contrary in the Agreement and/or Related Agreements, to indemnify Trustor fully for any and all taxes incurred or deductions or credits lost or deferred as a result of Assuming Party's use of any of the Equipment outside of the United States or as a result of the Guaranty referred to in Section 3 hereof. Assuming Party shall prepare any and all reports and information required by the Lessor or Assuming Party by reason of the Assuming Party's use of the Equipment outside of the United States, including, but not limited to, mileage and time within and without the United States in each calendar year ending after the date of this Instrument.

(h) Section 21.1 of the Agreement, Section 9.2 of the Participation Agreement and Section 9 of the Tax Indemnity agreement are hereby amended to read as follows:

"Each party hereto agrees that all notices, requests and demands to or upon the respective parties hereto under or in connection with this Agreement as modified hereby, shall be in writing (including by telegraph or telex), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or five days after being deposited in the mail, postage prepaid, or, in the case of telegraphic notice, when delivered to the telegraph company, or, in the case of telex notice, when sent, answerback received or, in the case of facsimile transmission, when received and telephonically confirmed, addressed as set forth below, or to such other address as may be hereafter notified by the respective parties hereto:

STATE STREET BANK AND TRUST COMPANY OF CONNECTICUT, N.A.

Attention: Mary Lee Storres
750 Main Street
Suite 1114
Hartford, CT 06103

WILMINGTON TRUST COMPANY

Attention: David Vanaskey
Financial Services Officer
Rodney Square North
Wilmington, DE 19890

BA LEASING & CAPITAL CORPORATION

Attention: Christine Bennett
Portfolio Manager
Two Embarcadero Center
San Francisco, CA 94111

ITEL RAIL CORPORATION

Attention: Mannan Latif
Director of Financial Services
550 California Street
San Francisco, CA 94104

GE CAPITAL RAILCAR ASSOCIATES, INC.

Attention: Robert Tucker
Executive Vice President of Business Development
33 West Monroe
Chicago, IL 60603."

(i) Notwithstanding Section 2.1 of this Instrument, the amendments set forth in Sections 2.1(c), (d), and (f) of this Instrument and the deletion of Section 17.2 of the Agreement shall be effective only for so long as the senior unsecured indebtedness of GECC is rated at least AA or Aa by Standard and Poor's Corporation and Moody's Investor Services. If at any time such ratings are no longer in effect with respect to the senior unsecured indebtedness of GECC, Sections 4.2, 8, 11.1 and 17.2 of the Agreement shall be deemed amended automatically and without further action on the part of Lessor, Security Trustee or Trustor to read in their entirety as provided in the Agreement before effectiveness of the amendments provided by Sections 2.1(c), (d) and (f) of this Instrument and the deletion of Section 17.2 of the Agreement.

(j) The last sentence of Section 4(f) of the Tax Indemnity Agreement is hereby deleted and replaced with the following:

"For purposes of this Section 4(f), any additions Federal income tax, penalties or additions to tax payable by the Trustor shall be calculated on the basis that the Loss of Foreign Tax Credit in a taxable year and the resulting additional Federal income taxes payable by the Trustor equal the product of: (a) the total losses and deductions of the Trustor attributable to the transactions contemplated in this Instrument, the Agreement, the Related Agreements and/or the Operative Agreements during the taxable year that are allocated or apportioned to foreign source income by the Trustor under the Code, multiplied by (b) the highest marginal Federal income tax rate in effect during the taxable year. "Foreign Tax Credit" is defined as the credit allowed under Section 901 of the Code and any successor provisions thereto. "The Code" is defined as the Internal Revenue Code of 1986, as amended, and all regulations issued thereunder."

SECTION 2.2. Effect of Amendments. Except as expressly amended hereby, the provisions of the Agreement and the Related Agreements shall remain in full force and effect, provided, however, that breach of, or other non-compliance with, any provision of the Agreement and the Related Agreements, which is no longer in force or effect pursuant to the provisions hereof shall not constitute, result in, nor create any breach of, default, or event of default nor give rise to any acceleration or right of acceleration, under the Agreement or the Related Agreements.

SECTION 2.3. References to Lessee and Its Affiliates. Upon the effectiveness hereof, all references in the Agreement and the Related Agreements to Lessee, its subsidiaries and affiliates shall

be deemed to refer solely to Assuming Party and all references in the Agreement and the Related Agreements and the Related Agreements to any guarantor shall be deemed to refer solely to GECC.

SECTION 2.4. Deletion of Certain Representations and Warranties. Upon the effectiveness hereof, the representations and warranties of Lessee contained in paragraphs (c), (d), (g), (j), (l) and (p) of Section 3.2 of the Participation Agreement shall be deemed representations and warranties of Assuming Party and shall be deemed made by Assuming Party as of the effective date of this Instrument. Nothing herein shall affect any rights of Trustor, Lessor or Security Trustee against the Lessee arising out of a breach of its representation or warranties prior to the effectiveness of the Assuming Party's assumption hereunder.

SECTION 2.5. References to the Guaranty. Upon the effectiveness hereof, all references to the Guaranty in the Security Agreement (as the term "Guaranty" is defined in the Security Agreement) shall be deemed to be references to the GECC Guaranty.

SECTION 3. Guaranty. Prior to or simultaneously with the effectiveness of this Instrument, GECC will unconditionally guarantee the obligations of Assuming Party under the Agreement and Related Agreements pursuant to an instrument in form and substance satisfactory to Trustor, Lessor and Security Trustee (the "GECC Guaranty").

SECTION 4. Representations and Warranties.

(a) To induce Security Trustee, Trustor and Lessor to enter into this Instrument, Lessee and Assuming Party represent and warrant as follows:

(i) Each of Lessee and Assuming Party is duly organized, validly existing and in good standing under the laws of its state of formation;

(ii) The execution and delivery of this Instrument and the performance by Lessee and Assuming Party of their respective obligations hereunder, are within their respective organizational powers, have been duly authorized by all necessary organizational action, have received all necessary governmental approval (if any shall be required), and do not and will not contravene or conflict with any provision of law or of the organizational instruments of Lessee or Assuming Party, or of any agreement binding on either of them;

(iii) This Instrument is, and the Agreement and Related Agreements as modified by this Instrument are,

the legal, valid and binding obligations of Lessee and Assuming Party, respectively, enforceable against them in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law); and

(iv) No litigation (including, without limitation, derivative actions), arbitration proceedings or governmental proceedings are pending or threatened against Lessee or Assuming Party which would restrain, enjoin, prohibit or in any way impair the transactions contemplated hereby, or would, if adversely determined, materially and adversely affect the financial condition or continued operations of Assuming Party.

(b) To induce Security Trustee, Trustor and Lessor to enter into this Instrument, Lessee represents and warrants that, as of the effective date hereof, no uncured default by Lessee exists under the Agreement or any of the Related Agreements.

(c) To induce Assuming Party to assume Lessee's liabilities and obligations pursuant to the provisions hereof, Trustor, Security Trustee and Lessor represents and warrants as of the effectiveness hereof, as follows:

(i) Except for Fixed Rent (as defined in the Agreement) related to the current period which may be outstanding, there are no amounts outstanding or owed by Lessee under the Agreement or Related Agreements; and

(ii) Trustor, Security Trustee and Lessor has no knowledge of any uncured default of Lessee under the Agreement or Related Agreements existing prior to the effectiveness hereof.

SECTION 5. Conditions Precedent. This Instrument shall become effective upon:

(a) Consummation of the transactions contemplated by that certain Asset Purchase Agreement by and among Itel Corporation, Lessee, Itel Rail Funding Corporation, Rex Railways, Inc., and GECC dated as of June 1, 1992;

(b) Delivery to Trustor, Security Trustee and Lessor of the GECC Guaranty;

(c) Delivery to Trustor, Security Trustee and Lessor of a certificate of the secretary or assistant secretary of Lessee substantially in the form of Exhibit A hereto;

(d) Delivery to Trustor, Security Trustee and Lessor of a certificate of the secretary or assistant secretary of Assuming Party substantially in the form of Exhibit B hereto;

(e) Delivery to Trustor, Security Trustee and Lessor of resolutions of GECC authorizing the execution of this Instrument;

(f) Delivery to Trustor, Security Trustee and Lessor of an opinion of the general counsel or associate general counsel of GECC as to this Instrument and the GECC Guaranty in the form of Exhibit C; and

(f) Delivery to Trustor, Security Trustee and Lessor of a list of the current markings on each Item of Equipment.

SECTION 6. Assignment, Assumption and Releases. Upon the effectiveness of this Instrument:

(a) In consideration of the foregoing and for good and valuable consideration, the receipt of which is hereby acknowledged, Lessee hereby assigns to Assuming Party all of Lessee's right, title and interest in and to the Agreement and Related Agreements and Lessee's rights with respect to any railcars, equipment or other assets under the Agreement and/or Related Agreements.

(b) Assuming Party hereby assumes Lessee's liabilities and obligations under the Agreement and the Related Agreements, as modified by this Instrument and agrees to be bound by the terms and provisions thereof to the same extent and in the same manner as if Assuming Party were originally a party thereto.

(c) Upon the effectiveness of Assuming Party's assumption as set forth in subsection (b) above, Lessee shall have no further obligations or liabilities under or in connection with the Agreement and the Related Agreements, except as to any default by Lessee under the Agreement or any of the Related Agreements relating to any period prior to the effective date hereof.

(d) Any guarantor of Lessee's obligations and liabilities under or in connection with the Agreement and the Related Agreements existing prior to the effectiveness of this Instrument shall be released of such guarantor's guaranty and any other obligations in connection with such guaranty

including, without limitation, that certain Guaranty made by Signal Capital Holdings Corporation dated as of December 15, 1988. Trustor, Security Trustee, and lessor acknowledge that any and all guarantors of Lessee's obligations and liabilities under or in connection with the Agreement and the Related Agreements shall be entitled to rely on the provisions of this Instrument applicable to such guarantors.

SECTION 7. Further Assurances. Each of Lessee and Assuming Party will execute and deliver such other and further instruments and will do such other and further acts, at their respective cost and expense, as in the reasonable opinion of the Trustor, Security Trustee and Lessor Party may be necessary or desirable fully to carry out the purposes of this Instrument. Trustor, Security Trustee and Lessor will execute and deliver such other and further instruments and will do such other and further acts as may be reasonably requested by either Lessee or Assuming Party, at the cost and expense of the Lessee, for the purpose of fully carrying out the purposes of this Instrument.

SECTION 8. Ratification. This Instrument shall be deemed to be an amendment and supplemental agreement to the Agreement and the Related Agreements, and the Agreement and Related Agreements, as modified hereby, are hereby ratified, approved and confirmed in each and every respect. All references to the Agreement and the Related Agreements shall hereafter be deemed to refer to the Agreement and the Related Agreements as amended hereby.

SECTION 9. Governing Law. THIS INSTRUMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE STATE LAW SPECIFIED AS THE GOVERNING LAW UNDER THE AGREEMENT AND THE RELATED AGREEMENTS, OR, IN THE ABSENCE OF SUCH A SPECIFICATION OR A CONFLICT BETWEEN ANY SUCH SPECIFICATIONS, BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS. Whenever possible each provision of this Instrument shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Instrument shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Instrument.

SECTION 10. Counterparts. This Instrument may be executed in any number of counterparts, all of which taken together shall constitute one and the same Instrument, and any party hereto may execute this Instrument by signing one or more counterparts.

SECTION 11. Successors and Assigns. This Instrument shall be binding upon the parties hereto and their respective successors and assigns, and shall inure to the benefit of the parties hereto and their respective successors and assigns, provided, however, that the parties hereto may only create such successors and assigns as

may be permitted under the Agreement and Related Agreements, except that Assuming Party may further assign (without the consent of Trustor, Security Trustee and Lessor) all (but not less than all) of its rights, title and interest in and to the Agreement, the Related Agreements, and the railcars and equipment covered by the Agreement and/or Related Agreements to any direct or indirect wholly-owned subsidiary of General Electric Capital Corporation. No such assignment and assumption shall relieve Assuming Party or Lessee from any liability hereunder or GECC from any liability under the GECC Guaranty.

SECTION 12. No Jury Trial. THE PARTIES HERETO WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS INSTRUMENT, OR UNDER THE AGREEMENT OR RELATED AGREEMENTS AS MODIFIED HEREBY, OR UNDER ANY OTHER DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR THEREWITH, OR ARISING FROM ANY FINANCIAL RELATIONSHIP EXISTING IN CONNECTION WITH THIS INSTRUMENT OR THE AGREEMENT AND RELATED AGREEMENTS AS MODIFIED HEREBY, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

SECTION 13. No Expansion of Liabilities of Trustee. It is expressly understood that nothing in this Instrument is intended or will be deemed to expand the obligations and liabilities of any trustee under or in connection with the Agreement or Related Agreements.

SECTION 14. Instrument Governs Conflict. If any provision of this Instrument is deemed to conflict with or to be contrary to any provision of the Agreement or the Related Agreements, the terms of this Instrument shall govern.

SECTION 15. Authorization to Owner-Trustee. By its signature below, the Owner Participant, as defined in the Agreement, hereby authorizes and directs the Owner-Trustee, as defined in the Agreement, to execute and deliver this Instrument and any other documents or instruments necessary or desirable for the consummation of the transactions contemplated by this Instrument.

Delivered at Chicago, Illinois as of the day and year first above written.

STATE STREET BANK AND TRUST
COMPANY OF CONNECTICUT, N.A.
successor to THE CONNECTICUT
BANK AND TRUST COMPANY, NATIONAL
ASSOCIATION, AS TRUSTEE

By [Signature]
Title Assistant Secretary
Address: 750 Main St
Hartford CT 06103

WILMINGTON TRUST COMPANY, not
in its individual capacity but
solely as Owner-Trustee

By _____
Title _____
Address: _____

BA LEASING & CAPITAL
CORPORATION, as successor to
WELLS FARGO LEASING CORPORATION

By _____
Title _____
Address: _____

ITEL RAIL CORPORATION as
successor to
PULLMAN LEASING COMPANY

By _____
Title _____
Address: _____

GE CAPITAL RAILCAR ASSOCIATES,
INC.

By _____
Title _____
Address: _____

Delivered at Chicago, Illinois as of the day and year first above written.

STATE STREET BANK AND TRUST
COMPANY OF CONNECTICUT, N.A.
successor to THE CONNECTICUT
BANK AND TRUST COMPANY, NATIONAL
ASSOCIATION, AS TRUSTEE

By _____
Title _____
Address: _____

WILMINGTON TRUST COMPANY, not
in its individual capacity but
solely as Owner-Trustee

By 
Title Financial Services Officer
Address: _____

BA LEASING & CAPITAL
CORPORATION, as successor to
WELLS FARGO LEASING CORPORATION

By _____
Title _____
Address: _____

ITEL RAIL CORPORATION as
successor to
PULLMAN LEASING COMPANY

By _____
Title _____
Address: _____

GE CAPITAL RAILCAR ASSOCIATES,
INC.

By _____
Title _____
Address: _____

Delivered at Chicago, Illinois as of the day and year first above written.

STATE STREET BANK AND TRUST
COMPANY OF CONNECTICUT, N.A.
successor to THE CONNECTICUT
BANK AND TRUST COMPANY, NATIONAL
ASSOCIATION, AS TRUSTEE

By _____
Title _____
Address: _____

WILMINGTON TRUST COMPANY, not
in its individual capacity but
solely as Owner-Trustee

By _____
Title _____
Address: _____

BA LEASING & CAPITAL
CORPORATION, as successor to
WELLS FARGO LEASING CORPORATION

By Christine Beaulieu
Title Asst. Vice President
Address: Two Embarcadero
San Francisco, CA. 94111

ITEL RAIL CORPORATION as
successor to
PULLMAN LEASING COMPANY

By Robert Kelly
Title Vice President
Address: 550 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA
94104

GE CAPITAL RAILCAR ASSOCIATES,
INC.

By Walter D. Cone
Title S.V.P.
Address: 33 West 177th Street
Chicago, IL 60603

STATE OF Connecticut)
COUNTY OF Hartford) S.S.

On the 6th day of May, 1992 before me personally
appeared Walter Fickus personally known to me to
be the person who executed the within instrument as Assistant Secretary
of State Street Bank Trust Co. CT and acknowledged to me that the
corporation Grady executed it.



Notary Public

VICKI LAMO

NOTARY PUBLIC

MY COMMISSION EXPIRES MARCH 31, 1994

STATE OF Delaware)
COUNTY OF New Castle) S.S.

On the 1 day of May, 1992 before me personally
appeared DAVID A. VANASKEY, JR. personally known to me to
be the person who executed the within instrument as Financial Services Officer
of Wilmington Trust Company and acknowledged to me that the
corporation WILMINGTON TRUST COMPANY executed it.
not in its individual capacity
but solely as Owner of

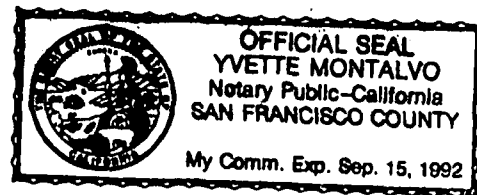
Vernessa E Robinson
Notary Public

VERNESSA E. ROBINSON
NOTARY PUBLIC
My Commission expires October 12, 1992

STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On the 23RD day of APRIL, 1992 before me personally appeared CHRISTINE BENNETT personally known to me to be the person who executed the within instrument as ASSISTANT VICE PRESIDENT of BALEASING & CAPITAL CORPORATION and acknowledged to me that the corporation BALEASING & CAPITAL CORPORATION executed it.

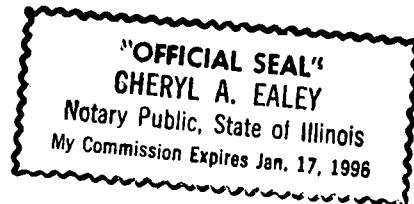
Yvette Montalvo
Notary Public



STATE OF Illinois)
COUNTY OF Cook) S.S.

On the 28th day of May, 1992 before me personally
appeared Robert Kiehle personally known to me to
be the person who executed the within instrument as Vice President
of Itel Rail Corporation and acknowledged to me that the
corporation executed it.

Cheryl A. Ealey
Notary Public



STATE OF Illinois)
COUNTY OF Cook) S.S.

On the 28th day of May, 1992 before me personally
appeared Winston I. Lowe personally known to me to
be the person who executed the within instrument as S.R. Vice President
of GE Capital Railcar Associates, Inc. and acknowledged to me that the
corporation _____ executed it.

Annette Kaye Chatmon
Notary Public

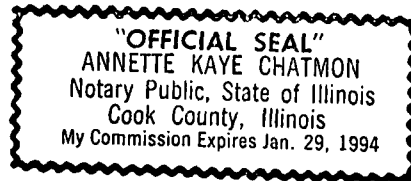


EXHIBIT A

Certificate of Itel Rail Corporation

I, the undersigned, [Assistant] Secretary of Itel Rail Corporation (the "Lessee"), DO HEREBY CERTIFY that:

1. This Certificate is furnished pursuant to Section 4(c) of that certain Consent, Waiver, Amendment, Assignment and Assumption, dated as of _____, 1992 (the "Instrument"), among the Lessee, BA Leasing & Capital Corporation, GE Capital Railcar Associates, Inc., State Street Bank and Trust Company of Connecticut, N.A., as security trustee and Wilmington Trust Company, as owner trustee. Unless otherwise defined herein, capitalized terms used in this Certificate have the meanings assigned to such terms in the Instrument.

2. Attached hereto as Exhibit I is a true, correct and complete copy of resolutions duly adopted at a meeting of the Board of Directors of the Lessee, convened and held on the ____ day of _____, 1992, which resolutions have not been revoked, modified, amended or rescinded and are still in full force and effect, and the Instrument is in substantially the form of that document submitted to and approved by the Board of Directors of the Lessee at such meeting.

3. The persons named in Exhibit II attached hereto have been duly elected, have duly qualified as and at all times since _____, 1992 (to and including the date hereof), have been officers of the Lessee holding the respective offices set forth therein opposite their names, and the signatures set forth therein opposite their names are their genuine signatures.

WITNESS my hand on this ____ day of _____, 1992.

[Assistant] Secretary

EXHIBIT I

Resolutions of the Board of Directors of
Iitel Rail Corporation

WHEREAS, there has been presented to this meeting a form of Consent, Waiver, Amendment, Assignment and Assumption (draft of _____, 1992) (the "Instrument"), among this Corporation, BA Leasing & Capital Corporation, GE Capital Railcar Associates, Inc., State Street Bank and Trust Company of Connecticut, N.A., as security trustee and Wilmington Trust Company, as owner trustee.

NOW, THEREFORE, BE IT RESOLVED, that the President, any Senior Vice President, or any Vice President of this Corporation, and each of them, be and he hereby is authorized to execute, in the name and on behalf of this Corporation, and deliver a Consent, Waiver, Amendment and Assumption, substantially in the form of the Instrument presented to this meeting, except for such changes, additions and deletions as to any or all of the terms and provisions thereof as the officer executing the Instrument on behalf of this Corporation shall deem proper, such execution by such officer of the Instrument to be conclusive evidence that such officer deems all of the terms and provisions thereof to be proper;

FURTHER RESOLVED, that each and every officer of this Corporation be and he hereby is authorized in the name and on behalf of this Corporation from time to time to take such actions and to execute and deliver such certificates, instruments, notices and documents as may be required or as such officer may deem necessary, advisable or proper in order to carry out and perform the obligations of this Corporation under the Instrument executed by this Corporation pursuant to these resolutions, or under any other instrument or document executed pursuant to or in connection with the Instrument; all such actions to be performed in such manner, and all such certificates, instruments, notices and documents to be executed and delivered in such form, as the officer performing or executing the same shall approve, the performance or execution thereof by such officer to be conclusive evidence of the approval thereof by such officer and by this Board of Directors.

EXHIBIT II

Name of Officer

Office

Signature

EXHIBIT B

Certificate of
GE Capital Railcar Associates, Inc.

I, the undersigned, [Assistant] Secretary of GE Capital Railcar Associates, Inc. (the "Assuming Party"), DO HEREBY CERTIFY that:

1. This Certificate is furnished pursuant to Section 4(d) of that certain Consent, Waiver, Amendment, Assignment and Assumption, dated as of _____, 1992 (the "Instrument"), among the Assuming Party, Itel Rail Corporation, BA Leasing & Capital Corporation, State Street Bank and Trust Company of Connecticut, N.A., as security trustee and Wilmington Trust Company, as owner trustee. Unless otherwise defined herein, capitalized terms used in this Certificate have the meanings assigned to such terms in the Instrument.

2. Attached hereto as Exhibit I is a true, correct and complete copy of resolutions duly adopted by the Board of Directors of the Assuming Party, on the ____ day of _____, 1992, which resolutions have not been revoked, modified, amended or rescinded and are still in full force and effect.

3. The persons named in Exhibit II attached hereto have been duly elected, have duly qualified as and at all times since _____, 1992 (to and including the date hereof), have been officers of the Assuming Party holding the respective offices set forth therein opposite their names, and the signatures set forth therein opposite their names are their genuine signatures.

WITNESS my hand on this ____ day of _____, 1992.

[Assistant] Secretary

EXHIBIT I

Resolutions of the Board of Directors of
GE Capital Railcar Associates, Inc.

WHEREAS, the directors have reviewed a form of Consent, Waiver, Amendment, Assignment and Assumption (draft of _____, 1992) (the "Instrument"), among this Corporation, BA Leasing & Capital Corporation, State Street Bank and Trust Company of Connecticut, N.A., as security trustee, Wilmington Trust Company, as owner trustee and Itel Rail Corporation.

NOW, THEREFORE, BE IT RESOLVED, that each officer of this Corporation, and each of them, be and he or she hereby is authorized to execute, in the name and on behalf of this Corporation, and deliver a Consent, Waiver, Amendment, Assignment and Assumption, substantially in the form reviewed by the directors of this Corporation, with such changes, additions and deletions as to any or all of the terms and provisions thereof as the officer executing the Instrument on behalf of this Corporation shall deem proper, such execution by such officer of the Instrument to be conclusive evidence that such officer deems all of the terms and provisions thereof to be proper;

FURTHER RESOLVED, that each and every officer of this Corporation be and he or she hereby is authorized in the name and on behalf of this Corporation from time to time to take such actions and to execute and deliver such certificates, instruments, notices and documents as may be required or as such officer may deem necessary, advisable or proper in order to carry out and perform the obligations of this Corporation under the Instrument executed by this Corporation pursuant to these resolutions, or under any other instrument or document executed pursuant to or in connection with the Instrument; all such actions to be performed in such manner, and all such certificates, instruments, notices and documents to be executed and delivered in such form, as the officer performing or executing the same shall approve, the performance or execution thereof by such officer to be conclusive evidence of the approval thereof by such officer and by this Board of Directors.

EXHIBIT II

Name of Officer

Office

Signature

GUARANTY

THIS GUARANTY, dated as of _____, 1992 is executed by GENERAL ELECTRIC CAPITAL CORPORATION, a New York corporation ("Guarantor") in favor of WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner-Trustee ("Lessor").

RECITALS

A. Pursuant to a Consent, Waiver, Amendment, Assignment and Assumption (the "Assignment Agreement") dated as of the date hereof among Lessor, THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, as trustee ("Security Trustee"), BA LEASING & CAPITAL CORPORATION, as trustor (as successor to Wells Fargo Leasing Corporation) ("Trustor"), ITEL RAIL CORPORATION, as successor to PULLMAN LEASING COMPANY ("Old Lessee") and GE CAPITAL RAILCAR ASSOCIATES, INC. ("New Lessee"), (i) Old Lessee has assigned to New Lessee and New Lessee has accepted Old Lessee's right, title and interest in and to and obligations under the Agreement (as defined in the Assignment Agreement) and the Related Agreements (as defined in the Assignment Agreement) on the terms set forth in the Assignment Agreement and (ii) the Agreement and the Related Agreements (collectively, the "Documents") have been amended and supplemented as set forth in the Assignment Agreement.

B. In order to induce Lessor, Security Trustee and Trustor to consent to the Assignment Agreement, Guarantor has agreed to execute this Guaranty in favor of Lessor. Lessor has agreed to assign certain rights under this Guaranty to Security Trustee as additional Collateral pursuant to the Security Agreement - Trust Deed dated as of December 15, 1988 between Lessor and Security Trustee.

AGREEMENT

NOW, THEREFORE, in consideration of the matters set forth in the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Guarantor agrees as follows:

1. Guaranty. Guarantor does hereby unconditionally and irrevocably guarantee, as primary obligor and not merely as a surety, to Guaranteed Party (as defined below), without offset or deduction, (i) the prompt payment and performance

when due, whether by acceleration or otherwise, of all Rent, Casualty Value and other payment obligations of New Lessee now or hereafter arising under the Documents, and (ii) the punctual performance and discharge when due of all other obligations of New Lessee to Guaranteed Party now or hereafter arising under the Documents, this guaranty constituting a guaranty of payment and performance and not of collection. As used herein, "Guaranteed Party" shall mean Lessor and its successors and assigns, except that with respect to any payment required to be made by New Lessee under Section 7 of the Participation Agreement, Section 6 of the Lease (including any Additional Rent representing interest due thereon), and the Tax Indemnity Agreement, the term "Guaranteed Party" shall mean each person entitled to receive any such payment and its successors and assigns. The obligations of New Lessee hereby guaranteed are hereinafter referred to individually as an "Obligation" and collectively as the "Obligations."

2. Guarantor's Obligations. If New Lessee does not or is unable to pay or perform any Obligation in accordance with the terms of the Agreement or the Related Agreements for any reason (including, without limitation, the liquidation, dissolution, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceedings affecting the status, existence, assets or obligations of, New Lessee or the limitation of damages for the breach of the Agreement or the Related Agreements, or the disaffirmance of the Agreement or the Related Agreements, in any such proceedings), Guarantor hereby agrees that it will pay the sums, or amounts equal thereto, which New Lessee is obligated to pay at the times specified in the Agreement or the Related Agreements, whether by acceleration or otherwise (it being intended that Guarantor shall pay to Guaranteed Party, as a payment obligation directly due from Guarantor to Guaranteed Party, amounts equal to all amounts due to Guaranteed Party which New Lessee shall fail faithfully and properly to pay when due under the Agreement or the Related Agreements, whether by acceleration or otherwise), or otherwise provide for and bring about promptly when due such payment or performance of such Obligation. Any amount payable hereunder on a day which is not a Business Day shall be payable on the next succeeding Business Day. Any amount hereunder not paid when due shall bear interest at the Late Rate. All payments hereunder shall be made in immediately available United States Dollars in the United States, without setoff or counterclaim or reduction on account of any withholding or similar taxes.

3. Obligations Absolute and Unconditional. The obligations of Guarantor under this Guaranty shall be

irrevocable, absolute and unconditional and shall remain in full force and effect until New Lessee or Guarantor shall have fully discharged the Obligations and shall not be released or discharged for any reason whatsoever, including, without limitation, the following: (a) the waiver by Lessor, Security Trustee, Trustor or any Noteholder or any of their respective successors or assigns of the performance or observance by New Lessee of any Obligation contained in the Agreement and the Related Agreements, or any default thereunder, (b) the extension of time for payment by New Lessee of any sums or any part thereof owing or payable under the Agreement or the Related Agreements, or of the time for performance by New Lessee of any other obligation under or arising out of or on account of the Agreement or the Related Agreements, or the extension or renewal of the Agreement or the Related Agreements, (c) any failure, omission or delay of Lessor, Security Trustee, Trustor or any Noteholder to enforce, assert or exercise any right, power or remedy conferred on Lessor, Security Trustee, Trustor or any Noteholder in the Agreement and the Related Agreements, or any action on the part of Lessor, Security Trustee, Trustor or any Noteholder granting extension or indulgence in any form, (d) any compromise, settlement, release, renewal, extension, indulgence, change in or waiver or modification of any Obligation or the release or discharge of New Lessee from the performance or observance of any Obligation by operation of law, (e) any failure on the part of any other person to perform its Obligations under the Agreement or the Related Agreements, (f) any exchange, release or nonperfection of any of the Collateral, or any release or amendment or waiver of or consent to departure from any other guaranty or security agreement for all or any of the Obligations, (g) any counterclaim, setoff, deduction or defense Guarantor may have against any other person, (h) any assignment or subleasing of any Item of Equipment (as defined in the Agreement), (i) the inability of any other person to enforce any provision of the Agreement or any of the Related Agreements for any reason, (j) the genuineness, validity, regularity or enforceability of any of the Obligations, (k) any law, regulation or decree now or hereafter in effect which might in any manner affect any of the terms or provisions of the Agreement or any of the Related Agreements or any of Lessor's or its successors' and assigns' rights, powers or remedies thereunder as against New Lessee or any other person, or which might cause or permit to be invoked any alteration in the time, amount or manner of payment or performance of the Obligations, (l) the physical condition of any Item of Equipment surrendered by New Lessee, (m) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets and liabilities of, or the voluntary or involuntary receivership, insolvency, bankruptcy, assignment

for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting New Lessee, (n) any merger, consolidation or other reorganization to which New Lessee, Guarantor or any affiliate is a party, or any sale or disposition, whether directly or indirectly, of any of Guarantor's or New Lessee's assets or the termination of Guarantor's affiliation with New Lessee, (o) the election by Lessor, Security Trustee, Trustor or any Noteholder, in any bankruptcy of any person, of the application or non-application of Section 1111(b)(2) of the United States Bankruptcy Code, (p) any extension of credit or the grant of any lien under Section 364 of the United States Bankruptcy Code, (q) any use of cash collateral under Section 363 of the United States Bankruptcy Code, or (r) any other circumstance which might otherwise constitute a legal or equitable defense or discharge of a guarantor.

If the Agreement is rejected or disaffirmed by New Lessee or New Lessee's trustee in bankruptcy or similar representative pursuant to the United States Bankruptcy Code or any other law affecting creditors' rights, including, without limitation, disaffirmance or rejection of the Agreement and the Related Agreements pursuant to Section 365(a) of the United States Bankruptcy Code or similar provision of applicable law now or hereafter in effect, Guarantor assumes (without the necessity of any further agreement or act), all Obligations and liabilities of New Lessee under the Agreement and under the Related Agreements to the same extent as if (i) Guarantor had originally been named the lessee under the Agreement and the Related Agreements and had originally executed the Agreement and the Related Agreements and (ii) there had been no such rejection or disaffirmance, and Guarantor, upon request of Guaranteed Party, will confirm such assumption upon or after such rejection or disaffirmance.

If the Agreement is rejected or disaffirmed by Lessor or Lessor's trustee in bankruptcy or similar representative pursuant to the United States Bankruptcy Code or any other law affecting creditors' rights, including, without limitation, disaffirmance or rejection of the Agreement pursuant to Section 365(a) of the United States Bankruptcy Code or similar provision of applicable law now or hereafter in effect, Guarantor guarantees (without the necessity of any further agreement or act), to the Noteholders and Security Trustee that all payment obligations of New Lessee now or hereafter arising under the Agreement up to an amount equal to the principal of and interest on the Notes (but without giving effect to acceleration of the Notes under the [Loan Agreement]) (i) if such acceleration does not result from an Event of Default under the Agreement and (ii) so long as no Event of Default

exists under the Agreement) and all other amounts owing by Lessor to the Noteholders under the [Loan Agreement] (other than those amounts due thereunder which result from or are attributable to a breach by Lessor or Trustor of any of its respective covenants or representations in the [Loan Agreement], the Agreement or any of the Related Agreements to which it is a party, which breach, in the case of Lessor, does not itself result from or is not itself attributable to a Default or Event of Default under the Agreement) will be made when due to the Noteholders to the same extent as if there had been no such rejection or disaffirmance regardless of whether the Items of Equipment must be delivered to Lessor or any other person and regardless of whether New Lessee or Guarantor enjoys the full or partial use of the Items of Equipment.

4. Waivers by Guarantor. Guarantor specifically agrees that it shall not be necessary or required in order to enforce its obligations hereunder that there be, and Guarantor specifically and unconditionally waives: notice of acceptance of this Guaranty or of the performance or nonperformance of the Agreement or the Related Agreements; demand for payment from New Lessee; presentment for payment upon New Lessee or the making of any protest; notice of the amount of the Obligations outstanding at any time; notice of nonpayment or failure to perform on the part of New Lessee; notice of, or the right to consent to, any amendment, modification or waiver of any term of the Agreement or the Related Agreements; and any other circumstance which might otherwise constitute a legal or equitable defense or discharge of a guarantor.

Without limiting the generality of Section 1, Guarantor specifically agrees that it shall not be necessary or required, and that it shall not be entitled to require, that Lessor, Security Trustee, Trustor or any Noteholders file suit or proceed to obtain or assert a claim for personal judgment against New Lessee for any Obligation or make any effort at collection of any Obligation from New Lessee or foreclose against or seek to realize upon any security now or hereafter existing for the Obligations or file suit or proceed to obtain or assert a claim for personal judgment against any other party liable for any Obligation or make any effort at collection of any Obligation from any such other party or exercise or assert any other right or remedy to which it is or may be entitled in connection with the Obligations or claim against the assets of New Lessee or other person liable for the Obligations, or any part thereof, before or as a condition of enforcing the liability of Guarantor under this Guaranty or requiring payment of said Obligations by Guarantor hereunder, or at any time thereafter.

Guarantor does hereby waive and relinquish, so far as it may lawfully and effectively do so, the benefit and advantage of any and all valuation, stay, appraisal, extension or redemption laws which, but for this provision, agreement and waiver, might be applicable to any sale made under any judgment, order or decree of any court or otherwise based on this Guaranty, the Agreement or the Related Agreements.

Notwithstanding anything set forth in this Guaranty, Guarantor shall not be in default in respect of any obligation hereunder unless Guarantor shall have received written notice from Lessor or such other person entitled to performance of such obligation and shall have failed to pay or perform such obligation within five business days after receipt of such notice.

5. Subordination. All obligations, indebtedness and liabilities, present and future, of New Lessee to Guarantor with respect to the Items of Equipment subject to the Agreement and the Related Agreements are hereby subordinated to the Obligations. Guarantor agrees that from and after the occurrence and during the continuance of an Event of Default as defined in the Agreement, Guaranteed Party shall be entitled to receive full payment of all Obligations before payment of any obligations, liabilities or indebtedness of New Lessee to Guarantor with respect to the Items of Equipment and, to that effect agrees to receive and hold all amounts paid to Guarantor by or on behalf of New Lessee with respect to the Items of Equipment in trust for Guaranteed Party and immediately to pay Guaranteed Party such amounts for application to the Obligations. Notwithstanding the foregoing provisions of this paragraph, Guarantor shall be entitled to receive, and shall not be required to hold for or pay to Guaranteed Party payments from New Lessee due and made at any time unless an Event of Default under the Agreement exists.

6. Extinguishment and Subrogation; Reinstatement. Fulfillment by New Lessee or Guarantor of any Obligation shall dispose of any claim hereunder with respect to, and to the extent of, such Obligation; provided, however, that unless and until all Obligations shall have been performed, Guarantor shall not claim or enforce any right of subrogation, reimbursement or indemnity against New Lessee, or any other right or remedy which might otherwise arise on account of any payment made by Guarantor or action with this Guaranty.

This Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of

any of the Obligations is rescinded or must otherwise be returned by Guaranteed Party upon the insolvency, bankruptcy or reorganization of Lessor, New Lessee or Guarantor or otherwise, all as though such payment had not been made. If the payment of any sum required to be paid by New Lessee under any Document is at any time prevented by reason of a case or proceeding under bankruptcy, insolvency or other similar law, Guarantor agrees that, for purposes of this Guaranty and its obligations hereunder, such sum shall be deemed to be payable in accordance with the terms of such Document, and Guarantor shall immediately pay such sum and any other amounts guaranteed hereunder without further notice or demand. Guarantor expressly consents to the assignment by Lessor of its rights (other than the Excepted Rights in Collateral) under this Guaranty as collateral to Security Trustee, and in connection therewith, for all purposes, including, without limitation, under Section 9-206 of the Uniform Commercial Code, agrees that the obligations of Guarantor are not subject to counterclaim, setoff, deduction, abatement, recoupment, suspension, deferment or defense based upon any claim that Guarantor may have against Lessor, and all liabilities to which they apply or may apply under the terms hereof shall be conclusively presumed to have been created in reliance hereon.

7. Condition of New Lessee. Guarantor represents and warrants to each Guaranteed Party that Guarantor has established adequate means of obtaining from New Lessee, on a continuing basis, financial and other information pertaining to, and Guarantor now is and hereafter will be completely familiar with, the business, operations and condition (financial and otherwise) of New Lessee and its properties. Guarantor waives and relinquishes any duty or alleged duty on the part of any Guaranteed Party to disclose to Guarantor any matter, fact or thing related to the business, operations or condition (financial or otherwise) of New Lessee and its properties whether now known or hereafter known by any Guaranteed Party. Any Guaranteed Party need not inquire into the powers of New Lessee or its officers or employees acting or purporting to act on its behalf, and all Obligations made or created in good faith reliance upon the professed exercise of such powers shall be secured by this Guaranty.

8. Third Parties. Guarantor acknowledges that all rights of Lessor hereunder (other than the Excepted Rights in Collateral) have been assigned for security purposes to Security Trustee pursuant to the Security Agreement. Pursuant to such assignment, except as provided in the Security Agreement, all rights of Lessor under this Guaranty (other than

the Excepted Rights in Collateral) are exercisable only by Security Trustee as Lessor's assignee, and all payments and notices to be made by Guarantor hereunder shall be made to Security Trustee directly. Except as provided in the preceding sentence, this Guaranty shall not be deemed to create any right in any person except as provided herein nor be construed in any respect to be a contract in whole or in part for the benefit of any other person except each Guaranteed Party and its respective successors and assigns.

9. Guarantor's Representations and Warranties.

Guarantor represents and warrants to each Guaranteed Party that on and as of the date hereof:

(a) Due Incorporation, Qualification, etc.

Guarantor (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of New York; (ii) has the power and authority to own, lease and operate its properties and carry on its business as now conducted; and (iii) is duly qualified, licensed to do business and in good standing as a foreign corporation in each jurisdiction where the failure to be so qualified or licensed would have a material adverse effect on the operations or condition (financial or otherwise) of Guarantor and its subsidiaries taken as a whole or on the performance by Guarantor of its obligations hereunder.

(b) Authority. The execution, delivery and performance by Guarantor of this Guaranty and the consummation of the transactions contemplated hereby (i) are within the corporate power of Guarantor; and (ii) have been duly authorized by all necessary corporate actions on the part of Guarantor.

(c) Enforceability. This Guaranty has been duly executed and delivered by Guarantor and constitutes a valid and binding obligation of Guarantor, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws or equitable principles relating to or affecting the enforcement of creditors' rights generally.

(d) Non-Contravention. The execution and delivery of this Guaranty and the performance and consummation of the transactions contemplated hereby do not (i) violate any provision of the certificate of incorporation or bylaws of Guarantor; (ii) violate any provision of any law, governmental rule, regulation,

order, arbitration award, judgment or decree of any court or other agency of government binding on Guarantor or its properties; or (iii) violate any provision of any obligation under any indenture, mortgage, lien, lease, agreement, license, instrument or guarantee to which Guarantor is a party or to which its properties are bound.

(e) Approvals. No consent, approval, order or authorization of, or registration, declaration or filing with, any governmental authority or other person (including, without limitation, the shareholders of any person) is required in connection with the execution and delivery of this Guaranty and the performance and consummation of the transactions contemplated hereby, except such consents, approvals, orders, authorizations, registrations, declarations and filings that are so required and which have been obtained and are in full force and effect.

10. Assignability. Subject to the provisions of the Agreement and the Related Agreements (and subject to the assignment by Lessor to Security Trustee of certain of its rights under this Guaranty), Lessor, Security Trustee, Trustor, the Noteholders and their respective successors and assigns may assign any or all of their respective rights and obligations hereunder or any interest herein to any person without the consent of Guarantor; the assigning party shall provide notice of any such assignment to Guarantor within five (5) business days of such assignment, but the failure to give such notice shall not affect the validity of such assignment; provided, however, that Guarantor shall be entitled to continue to make payment hereunder to the assigning party until Guarantor receives notice of such assignment. The assignee of such assignment shall have the rights hereunder of such assignor. Guarantor may not assign any of its rights or obligations hereunder or any interest herein without the prior written consent of Lessor, Security Trustee, Trustor and the Noteholders and any purported assignment by Guarantor without such consent shall be void and of no force or effect. This Guaranty shall be binding upon the parties hereto and their respective successors and assigns, and shall inure to the benefit of the parties hereto and the respective successors and assigns of Lessor, Security Trustee, Trustor and the Noteholders.

11. Notices. Except as otherwise provided herein, all notices, requests, demands or other communications to or upon the parties hereto shall be addressed to the parties at the respective addresses indicated below or at such other

address as any party hereto may designate by written notice to the other parties:

Security Trustee: THE CONNECTICUT BANK AND TRUST COMPANY

Attention:
Telephone:

Lessor: WILMINGTON TRUST COMPANY

Attention:
Telephone:

Trustor: BA LEASING & CAPITAL CORPORATION
Two Embarcadero Center
Suite 1000
San Francisco, CA 94111
Attention: Portfolio Management
Telephone: (415) 622-6280

Guarantor: GENERAL ELECTRIC CAPITAL CORPORATION
260 Long Ridge Road
Stamford, CT 06927
Attention:
Telephone: (203) 357-4000
Telecopier: (203) 357-6791

12. Fees and Expenses. Guarantor shall be liable for all reasonable legal fees (including reasonable allocated time charges of internal counsel) and other costs and expenses incurred by reason of the enforcement by Lessor, Security Trustee, Trustor and the Noteholders of their respective rights hereunder.

13. Interpretation. This Guaranty constitutes the entire agreement among Guarantor and each Guaranteed Party with respect to the subject matter hereof and supersedes any prior agreements or understandings, written or oral with respect thereto. Capitalized terms used and not defined herein have the meanings set forth in the Related Agreements. Headings in this Guaranty are for convenience of reference only and are not part of the substance thereof. References in this Guaranty to "Recitals," "Paragraphs" and "Subparagraphs" are to recitals, paragraphs and subparagraphs herein unless otherwise indicated. All terms defined in this Guaranty in the singular

form shall have comparable meanings when used in the plural form and vice versa.

14. Governing Law. THIS GUARANTY SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO CONFLICTS OF LAW RULES.

15. No Jury Trial. THE PARTIES HERETO WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS INSTRUMENT, OR UNDER THE AGREEMENT OR RELATED AGREEMENTS AS MODIFIED HEREBY, OR UNDER ANY OTHER DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR THEREWITH, OR ARISING FROM ANY FINANCIAL RELATIONSHIP EXISTING IN CONNECTION WITH THIS INSTRUMENT OR THE AGREEMENT AND RELATED AGREEMENTS AS MODIFIED HEREBY, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

IN WITNESS WHEREOF, this Guaranty has been executed by Guarantor as of the date first above written.

GENERAL ELECTRIC CAPITAL
CORPORATION

By: _____
Name:
Title: